

109TH CONGRESS  
2D SESSION

# S. 3569

---

## AN ACT

To implement the United States-Oman Free Trade  
Agreement.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “United States-Oman Free Trade Agreement Implemen-  
6       tation Act”.

- 1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.  
 Sec. 2. Purposes.  
 Sec. 3. Definitions.

#### TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE AGREEMENT

Sec. 101. Approval and entry into force of the Agreement.  
 Sec. 102. Relationship of the Agreement to United States and State law.  
 Sec. 103. Implementing actions in anticipation of entry into force and initial  
       regulations.  
 Sec. 104. Consultation and layover provisions for, and effective date of, pro-  
       claimed actions.  
 Sec. 105. Administration of dispute settlement proceedings.  
 Sec. 106. Arbitration of claims.  
 Sec. 107. Effective dates; effect of termination.

#### TITLE II—CUSTOMS PROVISIONS

Sec. 201. Tariff modifications.  
 Sec. 202. Rules of origin.  
 Sec. 203. Customs user fees.  
 Sec. 204. Enforcement relating to trade in textile and apparel goods.  
 Sec. 205. Reliquidation of entries.  
 Sec. 206. Regulations.

#### TITLE III—RELIEF FROM IMPORTS

Sec. 301. Definitions.

##### Subtitle A—Relief From Imports Benefiting From the Agreement

Sec. 311. Commencing of action for relief.  
 Sec. 312. Commission action on petition.  
 Sec. 313. Provision of relief.  
 Sec. 314. Termination of relief authority.  
 Sec. 315. Compensation authority.  
 Sec. 316. Confidential business information.

##### Subtitle B—Textile and Apparel Safeguard Measures

Sec. 321. Commencement of action for relief.  
 Sec. 322. Determination and provision of relief.  
 Sec. 323. Period of relief.  
 Sec. 324. Articles exempt from relief.  
 Sec. 325. Rate after termination of import relief.  
 Sec. 326. Termination of relief authority.  
 Sec. 327. Compensation authority.  
 Sec. 328. Confidential business information.

#### TITLE IV—PROCUREMENT

Sec. 401. Eligible products.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to approve and implement the Free Trade  
4 Agreement between the United States and Oman en-  
5 tered into under the authority of section 2103(b) of  
6 the Bipartisan Trade Promotion Authority Act of  
7 2002 (19 U.S.C. 3803(b));

8 (2) to strengthen and develop economic rela-  
9 tions between the United States and Oman for their  
10 mutual benefit;

11 (3) to establish free trade between the 2 nations  
12 through the reduction and elimination of barriers to  
13 trade in goods and services and to investment; and

14 (4) to lay the foundation for further coopera-  
15 tion to expand and enhance the benefits of such  
16 Agreement.

17 **SEC. 3. DEFINITIONS.**

18 In this Act:

19 (1) AGREEMENT.—The term “Agreement”  
20 means the United States-Oman Free Trade Agree-  
21 ment approved by Congress under section 101(a)(1).

22 (2) HTS.—The term “HTS” means the Har-  
23 monized Tariff Schedule of the United States.

24 (3) TEXTILE OR APPAREL GOOD.—The term  
25 “textile or apparel good” means a good listed in the  
26 Annex to the Agreement on Textiles and Clothing

1 referred to in section 101(d)(4) of the Uruguay  
 2 Round Agreements Act (19 U.S.C. 3511(d)(4)).

3 **TITLE I—APPROVAL OF, AND**  
 4 **GENERAL PROVISIONS RE-**  
 5 **LATING TO, THE AGREEMENT**

6 **SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE**  
 7 **AGREEMENT.**

8 (a) APPROVAL OF AGREEMENT AND STATEMENT OF  
 9 ADMINISTRATIVE ACTION.—Pursuant to section 2105 of  
 10 the Bipartisan Trade Promotion Authority Act of 2002  
 11 (19 U.S.C. 3805) and section 151 of the Trade Act of  
 12 1974 (19 U.S.C. 2191), Congress approves—

13 (1) the United States-Oman Free Trade Agree-  
 14 ment entered into on January 19, 2006, with Oman  
 15 and submitted to Congress on June 26, 2006; and  
 16 (2) the statement of administrative action pro-  
 17 posed to implement the Agreement that was sub-  
 18 mitted to Congress on June 26, 2006.

19 (b) CONDITIONS FOR ENTRY INTO FORCE OF THE  
 20 AGREEMENT.—At such time as the President determines  
 21 that Oman has taken measures necessary to bring it into  
 22 compliance with those provisions of the Agreement that  
 23 are to take effect on the date on which the Agreement  
 24 enters into force, the President is authorized to exchange  
 25 notes with the Government of Oman providing for the

1 entry into force, on or after January 1, 2007, of the  
 2 Agreement with respect to the United States.

3 **SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED**  
 4 **STATES AND STATE LAW.**

5 (a) RELATIONSHIP OF AGREEMENT TO UNITED  
 6 STATES LAW.—

7 (1) UNITED STATES LAW TO PREVAIL IN CON-  
 8 FFLICT.—No provision of the Agreement, nor the ap-  
 9 plication of any such provision to any person or cir-  
 10 cumstance, which is inconsistent with any law of the  
 11 United States shall have effect.

12 (2) CONSTRUCTION.—Nothing in this Act shall  
 13 be construed—

14 (A) to amend or modify any law of the  
 15 United States, or

16 (B) to limit any authority conferred under  
 17 any law of the United States,  
 18 unless specifically provided for in this Act.

19 (b) RELATIONSHIP OF AGREEMENT TO STATE  
 20 LAW.—

21 (1) LEGAL CHALLENGE.—No State law, or the  
 22 application thereof, may be declared invalid as to  
 23 any person or circumstance on the ground that the  
 24 provision or application is inconsistent with the  
 25 Agreement, except in an action brought by the

1 United States for the purpose of declaring such law  
 2 or application invalid.

3 (2) DEFINITION OF STATE LAW.—For purposes  
 4 of this subsection, the term “State law” includes—

5 (A) any law of a political subdivision of a  
 6 State; and

7 (B) any State law regulating or taxing the  
 8 business of insurance.

9 (c) EFFECT OF AGREEMENT WITH RESPECT TO PRI-  
 10 VATE REMEDIES.—No person other than the United  
 11 States—

12 (1) shall have any cause of action or defense  
 13 under the Agreement or by virtue of congressional  
 14 approval thereof; or

15 (2) may challenge, in any action brought under  
 16 any provision of law, any action or inaction by any  
 17 department, agency, or other instrumentality of the  
 18 United States, any State, or any political subdivision  
 19 of a State, on the ground that such action or inac-  
 20 tion is inconsistent with the Agreement.

21 **SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF**  
 22 **ENTRY INTO FORCE AND INITIAL REGULA-**  
 23 **TIONS.**

24 (a) IMPLEMENTING ACTIONS.—

1           (1) PROCLAMATION AUTHORITY.—After the  
2       date of the enactment of this Act—

3               (A) the President may proclaim such ac-  
4       tions, and

5               (B) other appropriate officers of the  
6       United States Government may issue such reg-  
7       ulations,

8       as may be necessary to ensure that any provision of  
9       this Act, or amendment made by this Act, that takes  
10      effect on the date on which the Agreement enters  
11      into force is appropriately implemented on such  
12      date, but no such proclamation or regulation may  
13      have an effective date earlier than the date on which  
14      the Agreement enters into force.

15          (2) EFFECTIVE DATE OF CERTAIN PROCLAIMED  
16      ACTIONS.—Any action proclaimed by the President  
17      under the authority of this Act that is not subject  
18      to the consultation and layover provisions under sec-  
19      tion 104 may not take effect before the 15th day  
20      after the date on which the text of the proclamation  
21      is published in the Federal Register.

22          (3) WAIVER OF 15-DAY RESTRICTION.—The 15-  
23      day restriction in paragraph (2) on the taking effect  
24      of proclaimed actions is waived to the extent that  
25      the application of such restriction would prevent the

1 taking effect on the date on which the Agreement  
 2 enters into force of any action proclaimed under this  
 3 section.

4 (b) INITIAL REGULATIONS.—Initial regulations nec-  
 5 essary or appropriate to carry out the actions required by  
 6 or authorized under this Act or proposed in the statement  
 7 of administrative action submitted under section  
 8 101(a)(2) to implement the Agreement shall, to the max-  
 9 imum extent feasible, be issued within 1 year after the  
 10 date on which the Agreement enters into force. In the case  
 11 of any implementing action that takes effect on a date  
 12 after the date on which the Agreement enters into force,  
 13 initial regulations to carry out that action shall, to the  
 14 maximum extent feasible, be issued within 1 year after  
 15 such effective date.

16 **SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR,**  
 17 **AND EFFECTIVE DATE OF, PROCLAIMED AC-**  
 18 **TIONS.**

19 If a provision of this Act provides that the implemen-  
 20 tation of an action by the President by proclamation is  
 21 subject to the consultation and layover requirements of  
 22 this section, such action may be proclaimed only if—

23 (1) the President has obtained advice regarding  
 24 the proposed action from—



1 (A) the appropriate advisory committees  
 2 established under section 135 of the Trade Act  
 3 of 1974 (19 U.S.C. 2155); and

4 (B) the United States International Trade  
 5 Commission;

6 (2) the President has submitted to the Com-  
 7 mittee on Finance of the Senate and the Committee  
 8 on Ways and Means of the House of Representatives  
 9 a report that sets forth—

10 (A) the action proposed to be proclaimed  
 11 and the reasons therefor; and

12 (B) the advice obtained under paragraph  
 13 (1);

14 (3) a period of 60 calendar days, beginning on  
 15 the first day on which the requirements set forth in  
 16 paragraphs (1) and (2) have been met has expired;  
 17 and

18 (4) the President has consulted with the Com-  
 19 mittees referred to in paragraph (2) regarding the  
 20 proposed action during the period referred to in  
 21 paragraph (3).

22 **SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PRO-**  
 23 **CEEDINGS.**

24 (a) ESTABLISHMENT OR DESIGNATION OF OFFICE.—  
 25 The President is authorized to establish or designate with-

1 in the Department of Commerce an office that shall be  
2 responsible for providing administrative assistance to pan-  
3 els established under chapter 20 of the Agreement. The  
4 office may not be considered to be an agency for purposes  
5 of section 552 of title 5, United States Code.

6 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
7 are authorized to be appropriated for each fiscal year after  
8 fiscal year 2006 to the Department of Commerce such  
9 sums as may be necessary for the establishment and oper-  
10 ations of the office established or designated under sub-  
11 section (a) and for the payment of the United States share  
12 of the expenses of panels established under chapter 20 of  
13 the Agreement.

14 **SEC. 106. ARBITRATION OF CLAIMS.**

15 The United States is authorized to resolve any claim  
16 against the United States covered by article  
17 10.15.1(a)(i)(C) or article 10.15.1(b)(i)(C) of the Agree-  
18 ment, pursuant to the Investor-State Dispute Settlement  
19 procedures set forth in section B of chapter 10 of the  
20 Agreement.

21 **SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

22 (a) EFFECTIVE DATES.—Except as provided in sub-  
23 section (b), the provisions of this Act and the amendments  
24 made by this Act take effect on the date on which the  
25 Agreement enters into force.

1 (b) EXCEPTIONS.—Sections 1 through 3 and this  
2 title take effect on the date of the enactment of this Act.

3 (c) TERMINATION OF THE AGREEMENT.—On the  
4 date on which the Agreement terminates, the provisions  
5 of this Act (other than this subsection) and the amend-  
6 ments made by this Act shall cease to be effective.

## 7 **TITLE II—CUSTOMS PROVISIONS**

### 8 **SEC. 201. TARIFF MODIFICATIONS.**

9 (a) TARIFF MODIFICATIONS PROVIDED FOR IN THE  
10 AGREEMENT.—

11 (1) PROCLAMATION AUTHORITY.—The Presi-  
12 dent may proclaim—

13 (A) such modifications or continuation of  
14 any duty,

15 (B) such continuation of duty-free or ex-  
16 cise treatment, or

17 (C) such additional duties,  
18 as the President determines to be necessary or ap-  
19 propriate to carry out or apply articles 2.3, 2.5, 2.6,  
20 3.2.8, and 3.2.9, and Annex 2–B of the Agreement.

21 (2) EFFECT ON OMANI GSP STATUS.—Notwith-  
22 standing section 502(a)(1) of the Trade Act of 1974  
23 (19 U.S.C. 2462(a)(1)), the President shall, on the  
24 date on which the Agreement enters into force, ter-  
25 minate the designation of Oman as a beneficiary de-

1       veloping country for purposes of title V of the Trade  
2       Act of 1974 (19 U.S.C. 2461 et seq.).

3       (b) OTHER TARIFF MODIFICATIONS.—Subject to the  
4       consultation and layover provisions of section 104, the  
5       President may proclaim—

6               (1) such modifications or continuation of any  
7       duty,

8               (2) such modifications as the United States  
9       may agree to with Oman regarding the staging of  
10      any duty treatment set forth in Annex 2–B of the  
11      Agreement,

12              (3) such continuation of duty-free or excise  
13      treatment, or

14              (4) such additional duties,

15      as the President determines to be necessary or appropriate  
16      to maintain the general level of reciprocal and mutually  
17      advantageous concessions with respect to Oman provided  
18      for by the Agreement.

19      (c) CONVERSION TO AD VALOREM RATES.—For pur-  
20      poses of subsections (a) and (b), with respect to any good  
21      for which the base rate in the Tariff Schedule of the  
22      United States to Annex 2–B of the Agreement is a specific  
23      or compound rate of duty, the President may substitute  
24      for the base rate an ad valorem rate that the President  
25      determines to be equivalent to the base rate.

1 **SEC. 202. RULES OF ORIGIN.**

2 (a) APPLICATION AND INTERPRETATION.—In this  
3 section:

4 (1) TARIFF CLASSIFICATION.—The basis for  
5 any tariff classification is the HTS.

6 (2) REFERENCE TO HTS.—Whenever in this  
7 section there is a reference to a heading or sub-  
8 heading, such reference shall be a reference to a  
9 heading or subheading of the HTS.

10 (b) ORIGINATING GOODS.—

11 (1) IN GENERAL.—For purposes of this Act  
12 and for purposes of implementing the preferential  
13 tariff treatment provided for under the Agreement,  
14 a good is an originating good if—

15 (A) the good is imported directly—

16 (i) from the territory of Oman into  
17 the territory of the United States; or

18 (ii) from the territory of the United  
19 States into the territory of Oman; and

20 (B)(i) the good is a good wholly the  
21 growth, product, or manufacture of Oman or  
22 the United States, or both;

23 (ii) the good (other than a good to which  
24 clause (iii) applies) is a new or different article  
25 of commerce that has been grown, produced, or  
26 manufactured in Oman or the United States, or

1 both, and meets the requirements of paragraph  
 2 (2); or

3 (iii)(I) the good is a good covered by  
 4 Annex 3–A or 4–A of the Agreement;

5 (II)(aa) each of the nonoriginating mate-  
 6 rials used in the production of the good under-  
 7 goes an applicable change in tariff classification  
 8 specified in such Annex as a result of produc-  
 9 tion occurring entirely in the territory of Oman  
 10 or the United States, or both; or

11 (bb) the good otherwise satisfies the re-  
 12 quirements specified in such Annex; and

13 (III) the good satisfies all other applicable  
 14 requirements of this section.

15 (2) REQUIREMENTS.—A good described in  
 16 paragraph (1)(B)(ii) is an originating good only if  
 17 the sum of—

18 (A) the value of each material produced in  
 19 the territory of Oman or the United States, or  
 20 both, and

21 (B) the direct costs of processing oper-  
 22 ations performed in the territory of Oman or  
 23 the United States, or both,

1 is not less than 35 percent of the appraised value of  
2 the good at the time the good is entered into the ter-  
3 ritory of the United States.

4 (c) CUMULATION.—

5 (1) ORIGINATING GOOD OR MATERIAL INCOR-  
6 PORATED INTO GOODS OF OTHER COUNTRY.—An  
7 originating good, or a material produced in the terri-  
8 tory of Oman or the United States, or both, that is  
9 incorporated into a good in the territory of the other  
10 country shall be considered to originate in the terri-  
11 tory of the other country.

12 (2) MULTIPLE PRODUCERS.—A good that is  
13 grown, produced, or manufactured in the territory of  
14 Oman or the United States, or both, by 1 or more  
15 producers, is an originating good if the good satis-  
16 fies the requirements of subsection (b) and all other  
17 applicable requirements of this section.

18 (d) VALUE OF MATERIALS.—

19 (1) IN GENERAL.—Except as provided in para-  
20 graph (2), the value of a material produced in the  
21 territory of Oman or the United States, or both, in-  
22 cludes the following:

23 (A) The price actually paid or payable for  
24 the material by the producer of the good.

(B) The freight, insurance, packing, and all other costs incurred in transporting the material to the producer's plant, if such costs are not included in the price referred to in subparagraph (A).

(C) The cost of waste or spoilage resulting from the use of the material in the growth, production, or manufacture of the good, less the value of recoverable scrap.

(D) Taxes or customs duties imposed on the material by Oman or the United States, or both, if the taxes or customs duties are not remitted upon exportation from the territory of Oman or the United States, as the case may be.

(2) EXCEPTION.—If the relationship between the producer of a good and the seller of a material influenced the price actually paid or payable for the material, or if there is no price actually paid or payable by the producer for the material, the value of the material produced in the territory of Oman or the United States, or both, includes the following:

(A) All expenses incurred in the growth, production, or manufacture of the material, including general expenses.

(B) A reasonable amount for profit.



1 (C) Freight, insurance, packing, and all  
2 other costs incurred in transporting the mate-  
3 rial to the producer's plant.

4 (e) PACKAGING AND PACKING MATERIALS AND CON-  
5 TAINERS FOR RETAIL SALE AND FOR SHIPMENT.—Pack-  
6 aging and packing materials and containers for retail sale  
7 and shipment shall be disregarded in determining whether  
8 a good qualifies as an originating good, except to the ex-  
9 tent that the value of such packaging and packing mate-  
10 rials and containers has been included in meeting the re-  
11 quirements set forth in subsection (b)(2).

12 (f) INDIRECT MATERIALS.—Indirect materials shall  
13 be disregarded in determining whether a good qualifies as  
14 an originating good, except that the cost of such indirect  
15 materials may be included in meeting the requirements set  
16 forth in subsection (b)(2).

17 (g) TRANSIT AND TRANSSHIPMENT.—A good shall  
18 not be considered to meet the requirement of subsection  
19 (b)(1)(A) if, after exportation from the territory of Oman  
20 or the United States, the good undergoes production, man-  
21 ufacturing, or any other operation outside the territory of  
22 Oman or the United States, other than unloading, reload-  
23 ing, or any other operation necessary to preserve the good  
24 in good condition or to transport the good to the territory  
25 of Oman or the United States.

1 (h) TEXTILE AND APPAREL GOODS.—

2 (1) DE MINIMIS AMOUNTS OF NONORIGINATING  
3 MATERIALS.—

4 (A) IN GENERAL.—Except as provided in  
5 subparagraph (B), a textile or apparel good  
6 that is not an originating good because certain  
7 fibers or yarns used in the production of the  
8 component of the good that determines the tariff  
9 classification of the good do not undergo an  
10 applicable change in tariff classification set out  
11 in Annex 3–A of the Agreement shall be considered  
12 to be an originating good if the total  
13 weight of all such fibers or yarns in that component  
14 is not more than 7 percent of the total  
15 weight of that component.

16 (B) CERTAIN TEXTILE OR APPAREL  
17 GOODS.—A textile or apparel good containing  
18 elastomeric yarns in the component of the good  
19 that determines the tariff classification of the  
20 good shall be considered to be an originating  
21 good only if such yarns are wholly formed in  
22 the territory of Oman or the United States.

23 (C) YARN, FABRIC, OR GROUP OF FIBERS.—For purposes of this paragraph, in the  
24 case of a textile or apparel good that is a yarn,  
25

1 fabric, or group of fibers, the term “component  
 2 of the good that determines the tariff classifica-  
 3 tion of the good” means all of the fibers in the  
 4 yarn, fabric, or group of fibers.

5 (2) GOODS PUT UP IN SETS FOR RETAIL  
 6 SALE.—Notwithstanding the rules set forth in Annex  
 7 3–A of the Agreement, textile or apparel goods clas-  
 8 sifiable as goods put up in sets for retail sale as pro-  
 9 vided for in General Rule of Interpretation 3 of the  
 10 HTS shall not be considered to be originating goods  
 11 unless each of the goods in the set is an originating  
 12 good or the total value of the nonoriginating goods  
 13 in the set does not exceed 10 percent of the value  
 14 of the set determined for purposes of assessing cus-  
 15 toms duties.

16 (i) DEFINITIONS.—In this section:

17 (1) DIRECT COSTS OF PROCESSING OPER-  
 18 ATIONS.—

19 (A) IN GENERAL.—The term “direct costs  
 20 of processing operations”, with respect to a  
 21 good, includes, to the extent they are includable  
 22 in the appraised value of the good when im-  
 23 ported into Oman or the United States, as the  
 24 case may be, the following:

(i) All actual labor costs involved in the growth, production, or manufacture of the good, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel.

(ii) Tools, dies, molds, and other indirect materials, and depreciation on machinery and equipment that are allocable to the good.

(iii) Research, development, design, engineering, and blueprint costs, to the extent that they are allocable to the good.

(iv) Costs of inspecting and testing the good.

(v) Costs of packaging the good for export to the territory of the other country.

(B) EXCEPTIONS.—The term “direct costs of processing operations” does not include costs that are not directly attributable to a good or are not costs of growth, production, or manufacture of the good, such as—

(i) profit; and

(ii) general expenses of doing business that are either not allocable to the good or

1           are not related to the growth, production,  
2           or manufacture of the good, such as ad-  
3           ministrative salaries, casualty and liability  
4           insurance, advertising, and sales staff sala-  
5           ries, commissions, or expenses.

6           (2) GOOD.—The term “good” means any mer-  
7           chandise, product, article, or material.

8           (3) GOOD WHOLLY THE GROWTH, PRODUCT, OR  
9           MANUFACTURE OF OMAN OR THE UNITED STATES,  
10          OR BOTH.—The term “good wholly the growth,  
11          product, or manufacture of Oman or the United  
12          States, or both” means—

13                (A) a mineral good extracted in the terri-  
14                tory of Oman or the United States, or both;

15                (B) a vegetable good, as such a good is  
16                provided for in the HTS, harvested in the terri-  
17                tory of Oman or the United States, or both;

18                (C) a live animal born and raised in the  
19                territory of Oman or the United States, or  
20                both;

21                (D) a good obtained from live animals  
22                raised in the territory of Oman or the United  
23                States, or both;

1           (E) a good obtained from hunting, trap-  
2           ping, or fishing in the territory of Oman or the  
3           United States, or both;

4           (F) a good (fish, shellfish, and other ma-  
5           rine life) taken from the sea by vessels reg-  
6           istered or recorded with Oman or the United  
7           States and flying the flag of that country;

8           (G) a good produced from goods referred  
9           to in subparagraph (F) on board factory ships  
10          registered or recorded with Oman or the United  
11          States and flying the flag of that country;

12          (H) a good taken by Oman or the United  
13          States or a person of Oman or the United  
14          States from the seabed or beneath the seabed  
15          outside territorial waters, if Oman or the  
16          United States, as the case may be, has rights  
17          to exploit such seabed;

18          (I) a good taken from outer space, if such  
19          good is obtained by Oman or the United States  
20          or a person of Oman or the United States and  
21          not processed in the territory of a country other  
22          than Oman or the United States;

23          (J) waste and scrap derived from—

1 (i) production or manufacture in the  
 2 territory of Oman or the United States, or  
 3 both; or

4 (ii) used goods collected in the terri-  
 5 tory of Oman or the United States, or  
 6 both, if such goods are fit only for the re-  
 7 covery of raw materials;

8 (K) a recovered good derived in the terri-  
 9 tory of Oman or the United States from used  
 10 goods and utilized in the territory of that coun-  
 11 try in the production of remanufactured goods;  
 12 and

13 (L) a good produced in the territory of  
 14 Oman or the United States, or both,  
 15 exclusively—

16 (i) from goods referred to in subpara-  
 17 graphs (A) through (J), or

18 (ii) from the derivatives of goods re-  
 19 ferred to in clause (i),

20 at any stage of production.

21 (4) INDIRECT MATERIAL.—The term “indirect  
 22 material” means a good used in the growth, produc-  
 23 tion, manufacture, testing, or inspection of a good  
 24 but not physically incorporated into the good, or a  
 25 good used in the maintenance of buildings or the op-

1       eration of equipment associated with the growth,  
 2       production, or manufacture of a good, including—

3               (A) fuel and energy;

4               (B) tools, dies, and molds;

5               (C) spare parts and materials used in the  
 6       maintenance of equipment and buildings;

7               (D) lubricants, greases, compounding ma-  
 8       terials, and other materials used in the growth,  
 9       production, or manufacture of a good or used  
 10      to operate equipment and buildings;

11              (E) gloves, glasses, footwear, clothing,  
 12      safety equipment, and supplies;

13              (F) equipment, devices, and supplies used  
 14      for testing or inspecting the good;

15              (G) catalysts and solvents; and

16              (H) any other goods that are not incor-  
 17      porated into the good but the use of which in  
 18      the growth, production, or manufacture of the  
 19      good can reasonably be demonstrated to be a  
 20      part of that growth, production, or manufac-  
 21      ture.

22       (5) MATERIAL.—The term “material” means a  
 23      good, including a part or ingredient, that is used in  
 24      the growth, production, or manufacture of another  
 25      good that is a new or different article of commerce



1 that has been grown, produced, or manufactured in  
 2 Oman or the United States, or both.

3 (6) MATERIAL PRODUCED IN THE TERRITORY  
 4 OF OMAN OR THE UNITED STATES, OR BOTH.—The  
 5 term “material produced in the territory of Oman or  
 6 the United States, or both” means a good that is ei-  
 7 ther wholly the growth, product, or manufacture of  
 8 Oman or the United States, or both, or a new or dif-  
 9 ferent article of commerce that has been grown, pro-  
 10 duced, or manufactured in the territory of Oman or  
 11 the United States, or both.

12 (7) NEW OR DIFFERENT ARTICLE OF COM-  
 13 MERCE.—

14 (A) IN GENERAL.—The term “new or dif-  
 15 ferent article of commerce” means, except as  
 16 provided in subparagraph (B), a good that—

17 (i) has been substantially transformed  
 18 from a good or material that is not wholly  
 19 the growth, product, or manufacture of  
 20 Oman or the United States, or both; and

21 (ii) has a new name, character, or use  
 22 distinct from the good or material from  
 23 which it was transformed.

24 (B) EXCEPTION.—A good shall not be con-  
 25 sidered a new or different article of commerce

1 by virtue of having undergone simple combining  
 2 or packaging operations, or mere dilution with  
 3 water or another substance that does not mate-  
 4 rially alter the characteristics of the good.

5 (8) RECOVERED GOODS.—The term “recovered  
 6 goods” means materials in the form of individual  
 7 parts that result from—

8 (A) the disassembly of used goods into in-  
 9 dividual parts; and

10 (B) the cleaning, inspecting, testing, or  
 11 other processing of those parts as necessary for  
 12 improvement to sound working condition.

13 (9) REMANUFACTURED GOOD.—The term “re-  
 14 manufactured good” means an industrial good that  
 15 is assembled in the territory of Oman or the United  
 16 States and that—

17 (A) is entirely or partially comprised of re-  
 18 covered goods;

19 (B) has a similar life expectancy to a like  
 20 good that is new; and

21 (C) enjoys a factory warranty similar to  
 22 that of a like good that is new.

23 (10) SIMPLE COMBINING OR PACKAGING OPER-  
 24 ATIONS.—The term “simple combining or packaging  
 25 operations” means operations such as adding bat-

teries to devices, fitting together a small number of components by bolting, gluing, or soldering, and re-packing or packaging components together.

(11) SUBSTANTIALLY TRANSFORMED.—The term “substantially transformed” means, with respect to a good or material, changed as the result of a manufacturing or processing operation so that—

(A)(i) the good or material is converted from a good that has multiple uses into a good or material that has limited uses;

(ii) the physical properties of the good or material are changed to a significant extent; or

(iii) the operation undergone by the good or material is complex by reason of the number of different processes and materials involved and the time and level of skill required to perform those processes; and

(B) the good or material loses its separate identity in the manufacturing or processing operation.

(j) PRESIDENTIAL PROCLAMATION AUTHORITY.—

(1) IN GENERAL.—The President is authorized to proclaim, as part of the HTS—

1 (A) the provisions set forth in Annex 3–A  
 2 and Annex 4–A of the Agreement; and

3 (B) any additional subordinate category  
 4 that is necessary to carry out this title, con-  
 5 sistent with the Agreement.

6 (2) MODIFICATIONS.—

7 (A) IN GENERAL.—Subject to the consulta-  
 8 tion and layover provisions of section 104, the  
 9 President may proclaim modifications to the  
 10 provisions proclaimed under the authority of  
 11 paragraph (1)(A), other than provisions of  
 12 chapters 50 through 63 of the HTS (as in-  
 13 cluded in Annex 3–A of the Agreement).

14 (B) ADDITIONAL PROCLAMATIONS.—Not-  
 15 withstanding subparagraph (A), and subject to  
 16 the consultation and layover provisions of sec-  
 17 tion 104, the President may proclaim—

18 (i) modifications to the provisions pro-  
 19 claimed under the authority of paragraph  
 20 (1)(A) as are necessary to implement an  
 21 agreement with Oman pursuant to article  
 22 3.2.5 of the Agreement; and

23 (ii) before the end of the 1-year period  
 24 beginning on the date of the enactment of  
 25 this Act, modifications to correct any typo-

1 graphical, clerical, or other nonsubstantive  
 2 technical error regarding the provisions of  
 3 chapters 50 through 63 of the HTS (as in-  
 4 cluded in Annex 3–A of the Agreement).

5 **SEC. 203. CUSTOMS USER FEES.**

6 Section 13031(b) of the Consolidated Omnibus Budg-  
 7 et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is  
 8 amended by adding after paragraph (16) the following:

9 “(17) No fee may be charged under subsection (a)  
 10 (9) or (10) with respect to goods that qualify as origi-  
 11 nating goods under section 202 of the United States-  
 12 Oman Free Trade Agreement Implementation Act. Any  
 13 service for which an exemption from such fee is provided  
 14 by reason of this paragraph may not be funded with  
 15 money contained in the Customs User Fee Account.”.

16 **SEC. 204. ENFORCEMENT RELATING TO TRADE IN TEXTILE**  
 17 **AND APPAREL GOODS.**

18 (a) ACTION DURING VERIFICATION.—

19 (1) IN GENERAL.—If the Secretary of the  
 20 Treasury requests the Government of Oman to con-  
 21 duct a verification pursuant to article 3.3 of the  
 22 Agreement for purposes of making a determination  
 23 under paragraph (2), the President may direct the  
 24 Secretary to take appropriate action described in

1 subsection (b) while the verification is being con-  
 2 ducted.

3 (2) DETERMINATION.—A determination under  
 4 this paragraph is a determination—

5 (A) that an exporter or producer in Oman  
 6 is complying with applicable customs laws, reg-  
 7 ulations, procedures, requirements, or practices  
 8 affecting trade in textile or apparel goods; or

9 (B) that a claim that a textile or apparel  
 10 good exported or produced by such exporter or  
 11 producer—

12 (i) qualifies as an originating good  
 13 under section 202, or

14 (ii) is a good of Oman,  
 15 is accurate.

16 (b) APPROPRIATE ACTION DESCRIBED.—Appropriate  
 17 action under subsection (a)(1) includes—

18 (1) suspension of liquidation of the entry of any  
 19 textile or apparel good exported or produced by the  
 20 person that is the subject of a verification referred  
 21 to in subsection (a)(1) regarding compliance de-  
 22 scribed in subsection (a)(2)(A), in a case in which  
 23 the request for verification was based on a reason-  
 24 able suspicion of unlawful activity related to such  
 25 good; and

1           (2) suspension of liquidation of the entry of a  
 2           textile or apparel good for which a claim has been  
 3           made that is the subject of a verification referred to  
 4           in subsection (a)(1) regarding a claim described in  
 5           subsection (a)(2)(B).

6           (c) ACTION WHEN INFORMATION IS INSUFFI-  
 7           CIENT.—If the Secretary of the Treasury determines that  
 8           the information obtained within 12 months after making  
 9           a request for a verification under subsection (a)(1) is in-  
 10          sufficient to make a determination under subsection  
 11          (a)(2), the President may direct the Secretary to take ap-  
 12          propriate action described in subsection (d) until such  
 13          time as the Secretary receives information sufficient to  
 14          make a determination under subsection (a)(2) or until  
 15          such earlier date as the President may direct.

16          (d) APPROPRIATE ACTION DESCRIBED.—Appro-  
 17          priate action referred to in subsection (c) includes—

18               (1) publication of the name and address of the  
 19               person that is the subject of the verification;

20               (2) denial of preferential tariff treatment under  
 21               the Agreement to—

22                       (A) any textile or apparel good exported or  
 23                       produced by the person that is the subject of a  
 24                       verification referred to in subsection (a)(1) re-

1           garding compliance described in subsection  
2           (a)(2)(A); or

3           (B) a textile or apparel good for which a  
4           claim has been made that is the subject of a  
5           verification referred to in subsection (a)(1) re-  
6           garding a claim described in subsection  
7           (a)(2)(B); and

8           (3) denial of entry into the United States of—

9           (A) any textile or apparel good exported or  
10          produced by the person that is the subject of a  
11          verification referred to in subsection (a)(1) re-  
12          garding compliance described in subsection  
13          (a)(2)(A); or

14          (B) a textile or apparel good for which a  
15          claim has been made that is the subject of a  
16          verification referred to in subsection (a)(1) re-  
17          garding a claim described in subsection  
18          (a)(2)(B).

19 **SEC. 205. RELIQUIDATION OF ENTRIES.**

20          Subsection (d) of section 520 of the Tariff Act of  
21          1930 (19 U.S.C. 1520(d)) is amended—

22               (1) in the matter preceding paragraph (1)—

23                       (A) by striking “or”; and

24                       (B) by striking “for which” and inserting  
25               “, or section 202 of the United States-Oman



1 Free Trade Agreement Implementation Act for  
2 which”; and

3 (2) in paragraph (3), by inserting “and infor-  
4 mation” after “documentation”.

5 **SEC. 206. REGULATIONS.**

6 The Secretary of the Treasury shall prescribe such  
7 regulations as may be necessary to carry out—

8 (1) subsections (a) through (i) of section 202;

9 (2) the amendment made by section 203; and

10 (3) proclamations issued under section 202(j).

11 **TITLE III—RELIEF FROM**  
12 **IMPORTS**

13 **SEC. 301. DEFINITIONS.**

14 In this title:

15 (1) OMANI ARTICLE.—The term “Omani arti-  
16 cle” means an article that—

17 (A) qualifies as an originating good under  
18 section 202(b); or

19 (B) receives preferential tariff treatment  
20 under paragraphs 8 through 11 of article 3.2 of  
21 the Agreement.

22 (2) OMANI TEXTILE OR APPAREL ARTICLE.—

23 The term “Omani textile or apparel article” means  
24 an article that—

1 (A) is listed in the Annex to the Agree-  
 2 ment on Textiles and Clothing referred to in  
 3 section 101(d)(4) of the Uruguay Round Agree-  
 4 ments Act (19 U.S.C. 3511(d)(4)); and

5 (B) is an Omani article.

6 (3) COMMISSION.—The term “Commission”  
 7 means the United States International Trade Com-  
 8 mission.

## 9 **Subtitle A—Relief From Imports** 10 **Benefiting From the Agreement**

### 11 **SEC. 311. COMMENCING OF ACTION FOR RELIEF.**

12 (a) FILING OF PETITION.—A petition requesting ac-  
 13 tion under this subtitle for the purpose of adjusting to  
 14 the obligations of the United States under the Agreement  
 15 may be filed with the Commission by an entity, including  
 16 a trade association, firm, certified or recognized union, or  
 17 group of workers, that is representative of an industry.  
 18 The Commission shall transmit a copy of any petition filed  
 19 under this subsection to the United States Trade Rep-  
 20 resentative.

21 (b) INVESTIGATION AND DETERMINATION.—Upon  
 22 the filing of a petition under subsection (a), the Commis-  
 23 sion, unless subsection (d) applies, shall promptly initiate  
 24 an investigation to determine whether, as a result of the  
 25 reduction or elimination of a duty provided for under the

1 Agreement, an Omani article is being imported into the  
2 United States in such increased quantities, in absolute  
3 terms or relative to domestic production, and under such  
4 conditions that imports of the Omani article constitute a  
5 substantial cause of serious injury or threat thereof to the  
6 domestic industry producing an article that is like, or di-  
7 rectly competitive with, the imported article.

8 (c) APPLICABLE PROVISIONS.—The following provi-  
9 sions of section 202 of the Trade Act of 1974 (19 U.S.C.  
10 2252) apply with respect to any investigation initiated  
11 under subsection (b):

12 (1) Paragraphs (1)(B) and (3) of subsection  
13 (b).

14 (2) Subsection (c).

15 (3) Subsection (i).

16 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No  
17 investigation may be initiated under this section with re-  
18 spect to any Omani article if, after the date on which the  
19 Agreement enters into force with respect to the United  
20 States, import relief has been provided with respect to that  
21 Omani article under this subtitle.

22 **SEC. 312. COMMISSION ACTION ON PETITION.**

23 (a) DETERMINATION.—Not later than 120 days after  
24 the date on which an investigation is initiated under sec-

tion 311(b) with respect to a petition, the Commission shall make the determination required under that section.

(b) APPLICABLE PROVISIONS.—For purposes of this subtitle, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d) (1), (2), and (3)) shall be applied with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

(c) ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.—

(1) IN GENERAL.—If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, or if the President may consider a determination of the Commission to be an affirmative determination as provided for under paragraph (1) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)), the Commission shall find, and recommend to the President in the report required under subsection (d), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition.

1           (2) LIMITATION ON RELIEF.—The import relief  
 2       recommended by the Commission under this sub-  
 3       section shall be limited to that described in section  
 4       313(c).

5           (3) VOTING; SEPARATE VIEWS.—Only those  
 6       members of the Commission who voted in the af-  
 7       firmative under subsection (a) are eligible to vote on  
 8       the proposed action to remedy or prevent the injury  
 9       found by the Commission. Members of the Commis-  
 10      sion who did not vote in the affirmative may submit,  
 11      in the report required under subsection (d), separate  
 12      views regarding what action, if any, should be taken  
 13      to remedy or prevent the injury.

14      (d) REPORT TO PRESIDENT.—Not later than the  
 15      date that is 30 days after the date on which a determina-  
 16      tion is made under subsection (a) with respect to an inves-  
 17      tigation, the Commission shall submit to the President a  
 18      report that includes—

19           (1) the determination made under subsection  
 20      (a) and an explanation of the basis for the deter-  
 21      mination;

22           (2) if the determination under subsection (a) is  
 23      affirmative, any findings and recommendations for  
 24      import relief made under subsection (c) and an ex-  
 25      planation of the basis for each recommendation; and

1           (3) any dissenting or separate views by mem-  
2       bers of the Commission regarding the determination  
3       and recommendation referred to in paragraphs (1)  
4       and (2).

5       (e) PUBLIC NOTICE.—Upon submitting a report to  
6       the President under subsection (d), the Commission shall  
7       promptly make public such report (with the exception of  
8       information which the Commission determines to be con-  
9       fidential) and shall cause a summary thereof to be pub-  
10      lished in the Federal Register.

11   **SEC. 313. PROVISION OF RELIEF.**

12       (a) IN GENERAL.—Not later than the date that is  
13      30 days after the date on which the President receives the  
14      report of the Commission in which the Commission's de-  
15      termination under section 312(a) is affirmative, or which  
16      contains a determination under section 312(a) that the  
17      President considers to be affirmative under paragraph (1)  
18      of section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
19      1330(d)(1)), the President, subject to subsection (b), shall  
20      provide relief from imports of the article that is the subject  
21      of such determination to the extent that the President de-  
22      termines necessary to remedy or prevent the injury found  
23      by the Commission and to facilitate the efforts of the do-  
24      mestic industry to make a positive adjustment to import  
25      competition.

1 (b) EXCEPTION.—The President is not required to  
 2 provide import relief under this section if the President  
 3 determines that the provision of the import relief will not  
 4 provide greater economic and social benefits than costs.

5 (c) NATURE OF RELIEF.—

6 (1) IN GENERAL.—The import relief that the  
 7 President is authorized to provide under this section  
 8 with respect to imports of an article is as follows:

9 (A) The suspension of any further reduc-  
 10 tion provided for under Annex 2–B of the  
 11 Agreement in the duty imposed on such article.

12 (B) An increase in the rate of duty im-  
 13 posed on such article to a level that does not  
 14 exceed the lesser of—

15 (i) the column 1 general rate of duty  
 16 imposed under the HTS on like articles at  
 17 the time the import relief is provided; or

18 (ii) the column 1 general rate of duty  
 19 imposed under the HTS on like articles on  
 20 the day before the date on which the  
 21 Agreement enters into force.

22 (2) PROGRESSIVE LIBERALIZATION.—If the pe-  
 23 riod for which import relief is provided under this  
 24 section is greater than 1 year, the President shall  
 25 provide for the progressive liberalization of such re-

1        lief at regular intervals during the period in which  
2        the relief is in effect.

3        (d) PERIOD OF RELIEF.—

4            (1) IN GENERAL.—Subject to paragraph (2),  
5        any import relief that the President provides under  
6        this section may not, in the aggregate, be in effect  
7        for more than 3 years.

8            (2) EXTENSION.—

9            (A) IN GENERAL.—If the initial period for  
10        any import relief provided under this section is  
11        less than 3 years, the President, after receiving  
12        a determination from the Commission under  
13        subparagraph (B) that is affirmative, or which  
14        the President considers to be affirmative under  
15        paragraph (1) of section 330(d) of the Tariff  
16        Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-  
17        tend the effective period of any import relief  
18        provided under this section, subject to the limi-  
19        tation under paragraph (1), if the President de-  
20        termines that—

21            (i) the import relief continues to be  
22        necessary to remedy or prevent serious in-  
23        jury and to facilitate adjustment by the do-  
24        mestic industry to import competition; and



1           (ii) there is evidence that the industry  
2           is making a positive adjustment to import  
3           competition.

4           (B) ACTION BY COMMISSION.—

5           (i) INVESTIGATION.—Upon a petition  
6           on behalf of the industry concerned that is  
7           filed with the Commission not earlier than  
8           the date which is 9 months, and not later  
9           than the date which is 6 months, before  
10          the date any action taken under subsection  
11          (a) is to terminate, the Commission shall  
12          conduct an investigation to determine  
13          whether action under this section continues  
14          to be necessary to remedy or prevent seri-  
15          ous injury and to facilitate adjustment by  
16          the domestic industry to import competi-  
17          tion and whether there is evidence that the  
18          industry is making a positive adjustment  
19          to import competition.

20          (ii) NOTICE AND HEARING.—The  
21          Commission shall publish notice of the  
22          commencement of any proceeding under  
23          this subparagraph in the Federal Register  
24          and shall, within a reasonable time there-  
25          after, hold a public hearing at which the

1 Commission shall afford interested parties  
 2 and consumers an opportunity to be  
 3 present, to present evidence, and to re-  
 4 spond to the presentations of other parties  
 5 and consumers, and otherwise to be heard.

6 (iii) REPORT.—The Commission shall  
 7 transmit to the President a report on its  
 8 investigation and determination under this  
 9 subparagraph not later than 60 days be-  
 10 fore the action under subsection (a) is to  
 11 terminate, unless the President specifies a  
 12 different date.

13 (e) RATE AFTER TERMINATION OF IMPORT RE-  
 14 LIEF.—When import relief under this section is termi-  
 15 nated with respect to an article, the rate of duty on that  
 16 article shall be the rate that would have been in effect,  
 17 but for the provision of such relief, on the date on which  
 18 the relief terminates.

19 (f) ARTICLES EXEMPT FROM RELIEF.—No import  
 20 relief may be provided under this section on any article  
 21 that has been subject to import relief under this subtitle  
 22 after the date on which the Agreement enters into force.

23 **SEC. 314. TERMINATION OF RELIEF AUTHORITY.**

24 (a) GENERAL RULE.—Subject to subsection (b), no  
 25 import relief may be provided under this subtitle after the

1 date that is 10 years after the date on which the Agree-  
 2 ment enters into force.

3 (b) **PRESIDENTIAL DETERMINATION.**—Import relief  
 4 may be provided under this subtitle in the case of an  
 5 Omani article after the date on which such relief would,  
 6 but for this subsection, terminate under subsection (a),  
 7 if the President determines that Oman has consented to  
 8 such relief.

9 **SEC. 315. COMPENSATION AUTHORITY.**

10 For purposes of section 123 of the Trade Act of 1974  
 11 (19 U.S.C. 2133), any import relief provided by the Presi-  
 12 dent under section 313 shall be treated as action taken  
 13 under chapter 1 of title II of such Act (19 U.S.C. 2251  
 14 et seq.).

15 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

16 Section 202(a)(8) of the Trade Act of 1974 (19  
 17 U.S.C. 2252(a)(8)) is amended in the first sentence—

18 (1) by striking “and”; and

19 (2) by inserting before the period at the end “,  
 20 and title III of the United States-Oman Free Trade  
 21 Agreement Implementation Act”.

1     **Subtitle B—Textile and Apparel**  
2             **Safeguard Measures**

3     **SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.**

4         (a) IN GENERAL.—A request under this subtitle for  
5 the purpose of adjusting to the obligations of the United  
6 States under the Agreement may be filed with the Presi-  
7 dent by an interested party. Upon the filing of a request,  
8 the President shall review the request to determine, from  
9 information presented in the request, whether to com-  
10 mence consideration of the request.

11       (b) PUBLICATION OF REQUEST.—If the President de-  
12 termines that the request under subsection (a) provides  
13 the information necessary for the request to be considered,  
14 the President shall cause to be published in the Federal  
15 Register a notice of commencement of consideration of the  
16 request, and notice seeking public comments regarding the  
17 request. The notice shall include a summary of the request  
18 and the dates by which comments and rebuttals must be  
19 received.

20     **SEC. 322. DETERMINATION AND PROVISION OF RELIEF.**

21       (a) DETERMINATION.—

22           (1) IN GENERAL.—If a positive determination is  
23 made under section 321(b), the President shall de-  
24 termine whether, as a result of the reduction or  
25 elimination of a duty under the Agreement, an

1 Omani textile or apparel article is being imported  
2 into the United States in such increased quantities,  
3 in absolute terms or relative to the domestic market  
4 for that article, and under such conditions as to  
5 cause serious damage, or actual threat thereof, to a  
6 domestic industry producing an article that is like,  
7 or directly competitive with, the imported article.

8 (2) SERIOUS DAMAGE.—In making a deter-  
9 mination under paragraph (1), the President—

10 (A) shall examine the effect of increased  
11 imports on the domestic industry, as reflected  
12 in changes in such relevant economic factors as  
13 output, productivity, utilization of capacity, in-  
14 ventories, market share, exports, wages, em-  
15 ployment, domestic prices, profits, and invest-  
16 ment, none of which is necessarily decisive; and

17 (B) shall not consider changes in tech-  
18 nology or consumer preference as factors sup-  
19 porting a determination of serious damage or  
20 actual threat thereof.

21 (b) PROVISION OF RELIEF.—

22 (1) IN GENERAL.—If a determination under  
23 subsection (a) is affirmative, the President may pro-  
24 vide relief from imports of the article that is the  
25 subject of such determination, as described in para-

graph (2), to the extent that the President determines necessary to remedy or prevent the serious damage and to facilitate adjustment by the domestic industry to import competition.

(2) NATURE OF RELIEF.—The relief that the President is authorized to provide under this subsection with respect to imports of an article is an increase in the rate of duty imposed on the article to a level that does not exceed the lesser of—

(A) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(B) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force.

**SEC. 323. PERIOD OF RELIEF.**

(a) IN GENERAL.—Subject to subsection (b), any import relief that the President provides under subsection (b) of section 322 may not, in the aggregate, be in effect for more than 3 years.

(b) EXTENSION.—If the initial period for any import relief provided under section 322 is less than 3 years, the President may extend the effective period of any import relief provided under that section, subject to the limitation

1 set forth in subsection (a), if the President determines  
2 that—

3           (1) the import relief continues to be necessary  
4           to remedy or prevent serious damage and to facili-  
5           tate adjustment by the domestic industry to import  
6           competition; and

7           (2) there is evidence that the industry is mak-  
8           ing a positive adjustment to import competition.

9 **SEC. 324. ARTICLES EXEMPT FROM RELIEF.**

10       The President may not provide import relief under  
11 this subtitle with respect to any article if—

12           (1) the article has been subject to import relief  
13           under this subtitle after the date on which the  
14           Agreement enters into force; or

15           (2) the article is subject to import relief under  
16           chapter 1 of title II of the Trade Act of 1974 (19  
17           U.S.C. 2251 et seq.).

18 **SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.**

19       When import relief under this subtitle is terminated  
20 with respect to an article, the rate of duty on that article  
21 shall be the rate that would have been in effect, but for  
22 the provision of such relief, on the date on which the relief  
23 terminates.

1 **SEC. 326. TERMINATION OF RELIEF AUTHORITY.**

2 No import relief may be provided under this subtitle  
3 with respect to any article after the date that is 10 years  
4 after the date on which duties on the article are eliminated  
5 pursuant to the Agreement.

6 **SEC. 327. COMPENSATION AUTHORITY.**

7 For purposes of section 123 of the Trade Act of 1974  
8 (19 U.S.C. 2133), any import relief provided by the Presi-  
9 dent under this subtitle shall be treated as action taken  
10 under chapter 1 of title II of such Act.

11 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

12 The President may not release information that is  
13 submitted in a proceeding under this subtitle and that the  
14 President considers to be confidential business informa-  
15 tion unless the party submitting the confidential business  
16 information had notice, at the time of submission, that  
17 such information would be released, or such party subse-  
18 quently consents to the release of the information. To the  
19 extent a party submits confidential business information  
20 to the President in a proceeding under this subtitle, the  
21 party shall also submit a nonconfidential version of the  
22 information, in which the confidential business informa-  
23 tion is summarized or, if necessary, deleted.



# 1       **TITLE IV—PROCUREMENT**

## 2   **SEC. 401. ELIGIBLE PRODUCTS.**

3       Section 308(4)(A) of the Trade Agreements Act of  
4   1979 (19 U.S.C. 2518(4)(A)) is amended—

5           (1) by striking “or” at the end of clause (iv);

6           (2) by striking the period at the end of clause

7       (v) and inserting “; or”; and

8           (3) by adding at the end the following new

9       clause:

10                   “(vi) a party to the United States-  
11                   Oman Free Trade Agreement, a product or  
12                   service of that country or instrumentality  
13                   which is covered under that Agreement for  
14                   procurement by the United States.”.

Passed the Senate June 29, 2006.

Attest:

*Secretary.*

109TH CONGRESS  
2D SESSION

**S. 3569**

---

---

**AN ACT**

To implement the United States-Oman Free Trade  
Agreement.